

Fiscal Estimate - 2005 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number 05-0834/1		Introduction Number AB-490	
Subject Otter damage on fish farms			
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations</div><div style="width: 33%;"><input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 33%;"><input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs</div></div> Local: <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div><div style="width: 33%;">5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts</div><div style="width: 33%;"><input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts</div><div style="width: 33%;"><input type="checkbox"/> Cities</div></div></div></div>			

Fiscal Estimate Narratives

DNR 6/29/2005

LRB Number	05-0834/1	Introduction Number	AB-490	Estimate Type	Original
Subject					
Otter damage on fish farms					

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary:

This bill authorizes an operator of a registered fish farm, or the operator's employee, to capture or kill any otter on the fish farm that causes damage to the fish farm. The bill authorizes the operator or operator's employee to capture or kill the otter without obtaining a license or permit from the Department of Natural Resources (DNR). The bill also provides that upon the request of the fish farm operator, DNR must reimburse the operator for any damage caused by the otter to the fish farm, including damage to fish or fish eggs. Under the bill, the amount of reimbursement is determined by agreement between DNR and the fish farm operator. The bill identifies that reimbursements would be made from the Program 1 general program operations segregated funds appropriation. Additionally, the owner of the fish farm and the department could enter into an agreement that the otter pelt may be used as sufficient reimbursement for the damage caused by the otter.

Fiscal Effect:

The Department anticipates both a cost and a revenue impact from this bill, but cannot determine the amounts at this time. More detail follows.

Fish have a variety of predators (herons, raptors, etc.), which will make it difficult to determine the actual loss or damage that can be attributed to otter activity on a fish farm. Current research from Missouri has identified significant trends in otter food preference. During spring, summer and fall otter diet is almost exclusively made up of crayfish. This changes drastically during the winter months (December - March) when their diet switches almost entirely to fish. Research from the same study suggests that an otter may be able to consume up to two pounds of fish per day. However, otter also display a behavior known as caching. They will store away prey when it is readily available for consumption at a latter time.

The Department's fish farm and aquaculture liaison indicates that otter damage on fish farms in Wisconsin is not a significant concern for fish farms. Annually, the Department receives approximately two dozen complaints statewide. Most of these are quickly handled by a license trapper during the open otter trapping season, which happens to coincide with the time of year when otters focus their diet on fish. Outside of the trapping season, special removal permits are issued to the farmer or exclusionary techniques such as fencing around ponds are suggested. Although currently there are as few as 24 nuisance claims issued a year, should the Department begin to issue payments for damage to fish farms, fish eggs or fish, the number of claims could increase.

Another option which is provided in this bill is for the Department to utilize the otter carcass as reimbursement for damage caused by otters. Otter fur is a highly sought after commodity. Currently, quality otter pelts are fetching approximately \$100 / pelt on the international fur market. Whether this will be sufficient for a farm or hatchery is difficult to determine, as there are a variety of fish raised in hatcheries and farms across Wisconsin. They can range from pan fish like sunfish, a staple of otters in Missouri, to prize coy or trophy bass. What value to assign a fish and their eggs is difficult to determine at this time. In summary, there will be an indeterminate fiscal impact to general operations funding if the Department is required to reimburse farmers for damage caused by otters.

A related issue is a potential loss of license revenue. In 2003, 6,383 applicants (\$3 per application x 6,383 applicants = \$19,149) applied for the 4,810 otter tags available. Trappers harvested a total of 1,588 otter. If quotas are reduced as a result of increased and unregulated otter harvest by fish farmers, then the number of permits will decline in order to sustain a viable otter population, which may lead to a decrease in trappers who apply for otter tags. This potential impact is indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 05-0834/1		Introduction Number AB-490	
Subject			
Otter damage on fish farms			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	
		Date	
		6/28/2005	